

# The President's Daily Brief

4 February 1970 27 Top Secret<sup>50X1</sup>

## THE PRESIDENT'S DAILY BRIEF

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#### PRINCIPAL DEVELOPMENTS

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In K'un-ming, capital of Yunnan Province, serious civil disturbances have forced local Chinese authorities to impose martial law. (Page 2)

Hungarian party leader Kadar's visit to East Germany last week may only have sharpened differences between the two countries. (Page 3)

NORTH VIETNAM	
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Recent messages confirm our belief that many of the smaller groups are composed of specialist person- nel. Several groups of less than 100 were described by infiltration stations in Laos as containing sap- pers, civil administrators, propaganda specialists, and communications experts.	
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### COMMUNIST CHINA

Martial law has been imposed in K'un-ming, the capital of Yunnan Province, following serious civil disturbances.

31 January a demonstration in K'un-ming degenerated into a riot. It appears that army elements responsible for public security in the immediate area were unable to control the disturbance and had to be reinforced by local Red Guards and militia units. Some of the rioters were executed on the spot.

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This is one of the most serious incidents noted anywhere in China since late last summer, when the army began a nationwide crackdown on civil disorders. The campaign was largely successful; there have been few reports of armed fighting in the last several months. Renewed outbreaks of violence in places like Yunnan, however, underscore the regime's inability to enforce a lasting settlement in a number of provinces.

In Yunnan--as in some of China's other unsettled provinces--the major cause of instability is political infighting that extends into the highest levels of provincial authority. The head of Yunnan's Revolutionary Committee (i.e. the governing authority) has rarely appeared in public in the past year, which could indicate that he has not been able to consolidate his control. We do not know yet what triggered the latest incident, but the appearance of Red Guards on the scene suggests that factionalism is behind the disorder.

## EAST GERMANY - HUNGARY

Nothing constructive came out of Hungarian party leader Kadar's visit to East Germany last week. The two countries are no closer together on West Germany or on Brandt's "ostpolitik." The Hungarians were not shaken in their plan to respond to Bonn's initiatives, and the West German press reported that the Hungarians have sweetened up their bid for an expansion of West German - Hungarian trade with offers of concessions in customs duties and taxes.

The East Germans, understandably piqued, have published a statement that no socialist country would forget its obligations to its alliance partners just for "fair words" from Bonn.

It seems Kadar's trip not only failed to improve relations between the two socialist allies; it evidently has made things worse. Before the visit, the Hungarians had gone to great lengths to accommodate the East Germans, especially on the question of responding to West Germany.

Kadar's hand has been strengthened, however, by the Warsaw Pact meeting in December, which blessed the idea of improving relations with Bonn. The Hungarians are freer to let relations with Pankow deteriorate if they must rather than forgo the opportunities Brandt is offering.